



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500  
DENVER, COLORADO 80202-2466

970077  
LO-2

Ref: 8EPR-EP

APR 28 1997

Larry Hamilton, BLM State Director  
Hal Salwasser, Forest Service Regional Forester  
Cooke City Area Mineral Withdrawal Team  
222 North 32nd Street  
P.O. Box 36800  
Billings, Montana 59107-6800

RE: EPA review of the Draft EIS for the  
Proposed Cooke City Area Mineral  
Withdrawal, Rating LO-2:

Dear Messrs. Hamilton and Salwasser:

The Region VIII Office of the Environmental Protection Agency has reviewed the Draft Environmental Impact Statement (DEIS) for the Proposed Cooke City Area Mineral Withdrawal and offers the following comments for your consideration.

The BLM and Gallatin and Custer National Forests propose to withdraw lands in the Cooke City Area from mineral location and entry. The agencies have evaluated two alternatives; Alternative A, No Action or no withdrawal, and Alternative B, the proposed withdrawal. The proposed withdrawal would be for a period of 20 years and would immediately include 17,754 acres of federal land that has no unpatented mining claims. If any private lands are acquired by the Federal Government pursuant to the proposed New World Mine Agreement, they would also be subject to the same conditions of the proposed withdrawal. EPA commented on the preliminary draft EIS and appreciates your office's responsiveness to most of those concerns. In addition, EPA participated as a cooperating agency for the Forest Service's preparation of the preliminary Draft EIS for the proposed New World Mine project and is now assisting the Forest Service and the State of Montana with site remediation consistent with the terms of the New World Mine Agreement of August 12, 1996.

Your offices are complimented for the generally effective presentation of the issues and the analysis within the DEIS. The following comments are meant to guide you and your staff for possible improvements as you prepare the Final EIS.

The primary addition we recommend to be included in the Final EIS is to specify the changes in the Department of the Interior's national hardrock mining policies. These policies are consistent with a more rigorous assessment and control of the environmental risks associated with the type of mining that could occur in the New World District. In addition, new understandings of water management at hardrock mines, especially regarding acid



drainage, and the need to protect the taxpayer from the expense of reclamation and remediation following hardrock mine financial failures, have resulted in significant changes in the nation's approach to hardrock mining which are consistent with the purpose of the proposed Cooke City Area mineral withdrawal.

Significant preceding policy events include: 1) the Secretary of the Interior's proposed revisions to the hardrock regulation under 40 CFR 3809, 2) the bankruptcy and subsequent CERCLA action at the Summitville Mine in Colorado owned by Galactic Resources, Inc, and 3) the significant Clean Water Act violations at the Zortman-Landusky Mine in northeastern Montana owned by Zortman Mining Inc. and Pegaseus Mining Inc. Including these preceding events into the Final EIS, might provide the reader and the decision maker context information regarding the consistency of the proposed action with the emerging policy trends in the hardrock mining policy of the United States.

Since the purpose of this project is to protect water quality and fishery resources in the watersheds of Soda Butte Creek, Clarks Fork Yellowstone River, and Stillwater River, it would appear appropriate to more thoroughly discuss whether there is any potential for these watershed resources to be impacted by future mining on the lands that are exempt from this proposed mineral withdrawal; that is, without implementing the New World Mine Agreement.

Further, it may be that the purpose could be considered too narrow if limited to protection of water quality and fishery resources within the District. The purpose could be expanded to be made compatible with the New World Mine Agreement which established that the purposes for that agreement include protection of Yellowstone National Park and surrounding areas, protection of significant national resources including the Absaroka Beartooth Wilderness and the Clarks Fork of the Yellowstone River, and the elimination and the threat of mining in the area. Inclusion of the same criteria in the purpose statement of the Final EIS would further clarify that the proposed action of mineral withdrawal and implementing the NWM Agreement are consistent in providing further protection for the unique natural values within the New World Mining District.

Pursuant to procedures EPA has established to rate the proposed action and adequacy of the Draft EISs, the Draft EIS for the Proposed Cooke City Area Mineral Withdrawal will be listed in the Federal Register in category LO-2. This means EPA lacks objection to the proposed action and suggests that additional information be included in the Final EIS as suggested above. Please call Weston Wilson of my staff at (303) 312-6562 if we need to further clarify these comments.

Sincerely,



Carol L. Campbell, Director  
Ecosystems Protection Program





Summary Paragraph, Comments dated 28 April 1997

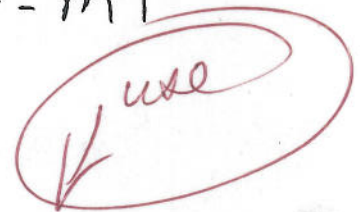
EPA review of the Draft EIS for the Proposed Cooke City Area Mineral Withdrawal,  
Montana, BLM and Forest Service  
Rating LO-2

The BLM and Gallatin and Custer National Forests propose to withdraw lands in the Cooke City Area from mineral location and entry. The agencies have evaluated two alternatives; Alternative A, No Action or no withdrawal, and Alternative B, the proposed withdrawal. The proposed withdrawal would be for a period of 20 years and would immediately include 17,754 acres of federal land that has no unpatented mining claims. If any private lands are acquired by the Federal Government pursuant to the proposed New World Mine Agreement, they would also be subject to the same conditions of the proposed withdrawal. EPA complimented BLM and the Forest Service for the generally effective presentation of the issues and the analysis within the DEIS. EPA recommends the Final EIS specify the changes in the Department of the Interior's national hardrock mining policies that are consistent with the proposed withdrawal. Significant preceding policy events include: 1) the Secretary of the Interior's proposed revisions to the hardrock regulation under 40 CFR 3809, 2) the bankruptcy and subsequent CERCLA action at the Summitville Mine in Colorado owned by Galactic Resources, Inc, and 3) the significant Clean Water Act violations at the Zortman-Landusky Mine in northeastern Montana owned by Zortman Mining Inc. and Pegaseus Mining Inc. Including these preceding events into the Final EIS might provide the reader and the decision maker context information regarding the consistency of the proposed action with the emerging policy trends in the hardrock mining policy of the United States.

Reviewer: Wes Wilson

Exp No: D-BLM-J67024-MT

Rating: LO-2



EPA expressed lack of objections but suggests that the Final EIS include specific guidance from on the Department of Interior's latest updates on national water management and acid rock drainage policies and how these will be integrated into the proposed action.

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